# IT Initiative Supplement

February 25, 2010

# I. Project Description

**Project Title:** WIC EBT
**Brief Description of the Project Title:** The Department intends to implement Electronic Benefit Transfer (EBT) for WIC.  In preparation, the Department will procure a qualified vendor to perform EBT planning and analysis activities specific to the needs of the WIC program.  The project goals are to identify the needs of the WIC program and assist in the decision of implementing a new EBT process or modifying an existing EBT process.
**Statewide Priority:** 1
**Agency Priority:** 1
**Estimated Completion Date: FY2013**
**IT Project Biennium: FY2010-11, FY2012-13**
**Request Number:**
**Version:**

**Agency Number: 6901**
**Agency Name: Department of Public Health and Human Services**
**Program Number:**
**Program Name: Public Health and Safety Division**

**A.  Type of Project (check all that apply)**
      **Enhancement**
      **Replacement**
      **New**      **X**
      **O&M**

**B.  Type of System (check all that apply)**
      **Mid-Tier**
      **Mainframe**
      **GIS**
      **Web**
      **Network**
      **Desktop**

# II. Narrative

**C. Executive Summary:**
The WIC Program (Montana's Special Supplemental Nutrition Program for Women, Infants and Children) is located at DPHHS and is funded by USDA/FNS. Montana has contracts with 27 local agencies to provide direct WIC services to participants. Participants are provided to eligible pregnant, breastfeeding and post partum women, infants and children up to age 5. Services provided by WIC are nutrition assessment, referral to other health related programs and a supplemental food package.

Services are provided via a new web based management information system referred to as M-SPIRIT. M-SPIRIT was rolled out in Montana in January 2010. It replaced an antiquated system that had been in operation since 1994.

Currently participants are given 3 or 4 benefits/checks each month to use at local WIC approved retail outlets to purchase their approved food package. USDA/FNS when approving the new M-SPIRIT management information system required it to be EBT ready. This planning grant is to help plan for WIC EBT in Montana.

**Project Purpose and Objectives:**
WIC EBT Planning is funding to support a planning contractor to look at the feasibility of developing or procuring an EBT system that is compatible with the current management information system used by the MT WIC Program.

**Technical Implementation Approach: N/A**

**Project Schedule and Milestones:**
This is a planning project for the future implementation of EBT for WIC. A CEP will be posted, planning contractor selected, contract signed and work completed by June 30, 2011. If an EBT solution is found that is cost effective and compatible for Montana, the implementation solution will be funded through a grant request to USDA/FNS.

**D. Business and IT Problems Addressed**
This is a planning grant/project that does not affect current WIC operations. If the planning process is successful in finding an EBT solution for WIC, it would allow the Department to electronically delivery WIC benefits and eliminate the need for issuance of benefits via checks.

**E. Alternative(s)**

**Alternatives Considered:**
N/A

**Rationale for Selection of Particular Alternative:**
N/A

**F. Narrative Detail**

Currently WIC issues 2 to 4 benefits/checks to each WIC participant each month for them to take to an approved WIC retailer to buy their approved food items. EBT would change this benefit issuance to an electronic benefit (credit/debit card). The current retailers, WIC participants and staff are ready for this change.

Changing or converting to an EBT system would help WIC meet their program objectives. Appropriate decision making and management of this project is crucial in providing Montana the tools to make good decisions regarding the future of EBT in Montana.

# III. Costs

**G. Estimated Cost of Project:**

| Estimated Cost of Project | FY2010 | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 | Total |
|---|---|---|---|---|---|---|---|
| 1. Personal Services - IT Staff | | | | | | | 0 |
| 2. Personal Services - Non IT Staff | | | | | | | 0 |
| 3. Contracted Services | | 200,000 | 500,000 | 500,000 | | | 1,200,000 |
| 4. ITSD Services | | | | | | | 0 |
| 5. Hardware | | | | | | | 0 |
| 6. Software | | | | | | | 0 |
| 7. Telecommunications | | | | | | | 0 |
| 8. Maintenance | | | | | | | 0 |
| 9. Project Management | | | | | | | 0 |
| 10. IV & V | | | | | | | 0 |
| 11. Contingency | | | | | | | 0 |
| 12. Training | | | | | | | 0 |
| 13. Other | | | | | | | 0 |
| Total Estimated Costs | 0 | 200,000 | 500,000 | 500,000 | 0 | 0 | 1,200,000 |

**Total Funding:**

# IV. Funding

**H. Funding**

Total Funding

| Fund | FY2010 | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 | Total |
|---|---|---|---|---|---|---|---|
| 1. 03941 | | 200,000 | 500,000 | 500,000 | | | 1,200,000 |
| 2. | | | | | | | 0 |
| 3. | | | | | | | 0 |
| 4. | | | | | | | 0 |
| 5. | | | | | | | 0 |
| 6. | | | | | | | 0 |
| Total Estimated Costs | 0 | 200,000 | 500,000 | 500,000 | 0 | 0 | 1,200,000 |

**Cash/Bonded:**

**Bill Number:**

# V. Cost upon Completion

### 1. Operating Costs upon Completion

| Estimated Cost of Project | | FY2010 | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 | Total |
|---|---|---|---|---|---|---|---|---|
| 1. | Personal Services - IT Staff | | | | | | | 0 |
| 2. | Personal Services - Non IT Staff | | | | | | | 0 |
| 3. | Contracted Services | | 200,000 | 500,000 | 500,000 | | | 1,200,000 |
| 4. | ITSD Services | | | | | | | 0 |
| 5. | Hardware | | | | | | | 0 |
| 6. | Software | | | | | | | 0 |
| 7. | Telecommunications | | | | | | | 0 |
| 8. | Maintenance | | | | | | | 0 |
| 9. | Project Management | | | | | | | 0 |
| 10. | IV & V | | | | | | | 0 |
| 11. | Contingency | | | | | | | 0 |
| 12. | Training | | | | | | | 0 |
| 13. | Other | | | | | | | 0 |
| Total Estimated Costs | | 0 | 200,000 | 500,000 | 500,000 | 0 | 0 | 1,200,000 |

### 2. Funding Recap

Total Funding

| Fund | | FY2010 | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 | Total |
|---|---|---|---|---|---|---|---|---|
| 1. | 03941 | | 200,000 | 500,000 | 500,000 | | | 1,200,000 |
| 2. | | | | | | | | 0 |
| 3. | | | | | | | | 0 |
| 4. | | | | | | | | 0 |
| 5. | | | | | | | | 0 |
| 6. | | | | | | | | 0 |
| Total Estimated Costs | | 0 | 200,000 | 500,000 | 500,000 | 0 | 0 | 1,200,000 |

# V. Risk Assessment

## A. Current IT Infrastructure Risks

1. Current application 10+ years old?                                                           N/A
    Date of last major upgrade?

2. Current application is based on old technology?                                     N/A
    If yes, what is the current hardware platform, operating system, and programming languages
    used to support the application?

3. Is the agency not capable of maintaining the current application with internal technical staff?
                                                                                                                 N/A
    If yes, who supports the application today?

4. Other IT infrastructure risks?                                                                N/A
    If yes, provide further detail.

## B. Current Business Risks

1. What are the risks to the state if the project is not adopted?      It is an EBT planning grant, if
we do not proceed we would not be eligible for an USDA/FNS funded EBT system.

2. Does the current application meet current business requirements?  Yes, but it is a check based
    system.
        If "no", what specific business functions does the application lack?

## C. Project Risk Assessment

1. Describe any major obstacles to successful implementation and discuss how those obstacles
will be mitigated.

**Table H          Risk Assessment**

| Description | Severity (H/M/L) | Probability of Occurrence (%) | Estimated Cost | Mitigation Strategy |
|---|---|---|---|---|
| **CEP approval by FNS** | **L** | **5%** | **N/A** | **Constant communication with FNS** |
| **Obtaining a qualified contractor** | **L** | **10%** | **N/A** | **Ensure adequate funding Ensure that CEP is posted for a sufficient period of time Careful review of proposals** |
| **Time Line** | **M** | **30%** | **N/A** | **Constant and ongoing communication with all parties involved** |